

HOUSE BILL 2273
By DeBerry J

AN ACT to amend Tennessee Code Annotated, Title 56; Title 68 and Title 71, Chapter 5, relative to the development of a community health system pilot program.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, is amended by adding the following as a new, appropriately designated section:

§ 71-5-177.

(a) The department of finance and administration is charged with implementation of a community health system pilot program. The program must investigate models of multi-tiered funding for health care for the uninsured population. Multi-tiered funding models should include funds from a variety of sources, including federal, state and local governments, the participating health care providers (as a discount of fees), employers who desire to provide a health benefit to workers not currently receiving one, and participating enrollees themselves.

(b) The program is charged with designing at least one pilot project. Any uninsured person residing in the local county in which the pilot project is operational, regardless of income level or medical need, must be able to participate in the community health program pilot project. The program must be based out of a local health center that is designated as a federally qualified health center by the United States department of health and human services, bureau of primary health care. An enrollee in the program must be able to receive any services provided by the participating health center, including preventive services. The participating health center should provide the care at a significant discount of its usual costs. The amount actually billed by the health center should be paid through TennCare program funds, subject to funding by the

general assembly, local county and city funds, and the enrollee's own funds on a sliding income scale, all in a proportion to be determined by the program. In addition, the program should investigate the possibility of local small business participation, where the employers would pay a portion of the cost and thereby offer this program as a limited health benefit to workers who do not currently receive a health benefit.

(c) The department is authorized to apply for any possible research and development grants or federal matching funds for the project that may be available.

(d) The department must conclude investigations on various funding models and locate possible sites by December 31, 2005. A final report on implementation of the chosen pilot project must be presented to the general assembly by March 15, 2006, with implementation to begin no later than July 1, 2006.

(e) The department must make periodic reports to the general assembly on the progress of the pilot project, including the proportion of funds used to achieve payment for the care, the numbers of previously uninsured persons receiving primary care pursuant to the project, and the projected costs and feasibility of implementing the pilot project at other sites.

(f) To the extent necessary to implement the program, the department of finance and administration, bureau of TennCare is authorized to seek any amendment or modification to the terms and conditions imposed by an applicable waiver under section 1115 of the federal Social Security Act issued by the United States department of health and human services for the administration of the TennCare programs or any successor medicaid programs. The department must implement the program and the pilot project only in accordance with the terms and conditions of any such waiver or waiver modification.

(g) The program and the pilot project shall not be construed to be an appropriation of funds, and no funds shall be obligated or expended pursuant to this section unless such funds are specifically appropriated by the general appropriations act.

(h) The program and the pilot project shall terminate on June 30, 2010.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring
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